

Opening Statement of the Honorable Fred Upton
Subcommittee on Oversight and Investigations
Hearing on “The Center for Consumer Information and Insurance Oversight and the
Implementation of the Patient Protection and Affordable Care Act”
April 24, 2013

(As Prepared for Delivery)

Today’s hearing continues this committee’s rigorous oversight of the Obama administration’s implementation of the health care law.

Since the law’s passage, we have had CCIIO this subcommittee three times. During previous hearings, we uncovered that the promises made about the Affordable Care Act didn’t match up with reality.

In 2011, we learned that CCIIO was granting waivers from the law to individuals and companies that would face large premium increases, or the loss of coverage, because of Obamacare.

We also found that, through its implementation of the Early Retiree Reinsurance Plan, CCIIO had handed out millions of dollars to certain corporations, unions, and state governments. Even more troubling was the fact that the Early Retiree plan burned through the \$5 billion allocated to it so quickly that it stopped accepting applications in May 2011—more than 2 years before the program was supposed to end. Yet, this is the same amount of money that was given to the Pre-Existing Condition Insurance Plan.

This bill has been the law of the land for over three years. We are just eight months from the full implementation and by all accounts the Obama administration does not have its act together. It does not bode well when, just last week, a top supporter of the president and leading Senate architect of the law publicly warned the HHS Secretary that he sees a “train wreck” coming. Will the exchanges be ready? How will families be able to prepare for this? Will they be able to rely on the promise that if you like your coverage you can keep it? Will young adults be able to afford higher costs? The alarm bells over how Obamacare will unfold are getting louder by the day: costs are going up, insurers are warning about premium increases, and small businesses are struggling with the choice about whether they can provide employees with coverage.

Patients need certainty. Employers need certainty. And I hope HHS and CCIIO will always show us what they are doing to implement the law by the deadline.

Finally, last week this committee marked up a bill that targets the Prevention and Public Health Fund to give that money to those who need it most: Americans with pre-existing conditions who were promised coverage by supporters of Obamacare, only to find that the program was closed to new applicants a few weeks ago. The Pre-Existing Condition Insurance Plan has been an unfortunate example of the problems of Obamacare: the promises don’t match reality. I think it’s unacceptable that this is going to happen, and I look forward to voting to fix it today.

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